

Rio Tinto

Rio Tinto Kennecott
On Behalf of Kennecott Barneys Canyon Mining Company
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South Jordan, Utah 84095
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Chris Kaiser
Manager - Environment

16 June 2014

VIA HAND DELIVERY

Mr Paul Baker, Minerals Program Manager
Division of Oil, Gas & Mining
Utah Department of Natural Resources
P.O. Box 145801
Salt Lake City, Utah 84114 - 5801

Subject: Monthly Clay Hollow Cleanup Update

Dear Mr. Baker:

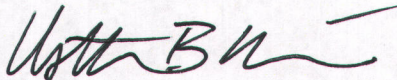
Kennecott Barneys Canyon Mining Company ("Barneys") submits the following information in response to the 9 April, 2014 "Division Directive". The directive required Kennecott Barneys Canyon to provide updates on a monthly basis, or more frequently as warranted, until the cleanup of Clay Hollow has been completed. This letter and the attached schedule of activities serve as the first monthly update for cleanup.

Since the original division directive Barneys has worked to acquire regulatory approval to begin the cleanup. At this time approval still has not been obtained, but once approval is granted the cleanup will begin immediately.

For future updates it is Barneys intention to email only the attached schedule of activities, updated with the most recent cleanup event.

Please contact Thiess Lindsay (801-569-6066) should you have any questions concerning this written follow-up. Thank you and your staff for your continued cooperation.

Regards,



Chris Kaiser
Manager - Environment

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JUN 16 2014

DIV. OF OIL, GAS & MINING

Table 1 Cleanup Response Activities

ID	Work Area	Activity	Planned Target		Status	Comments
			Start	Finish		
1A	Segment 1	Additional sampling on the West Jordan property	4/1/2014	5/16/2014	Complete	The distribution of mine waste sediment shall be based on visual observation, XRF analysis of soils for arsenic and lead, and laboratory analysis on select confirmation samples for arsenic and lead.
1B	Segment 1	Draft a Characterization/Removal work plan	4/1/2014	4/17/2014	Complete	Plan provided as dictated in the DOGM Division Directive
1C	Segment 1	Site visit with DWQ, DOGM and DERR	4/9/2014	4/9/2014	Complete	Allow regulators an opportunity to see the site in person and ask questions.
1D	Segment 1	Regulatory review of Cleanup Plan - Segment 1	4/18/2014	4/30/2014	Complete	Submission of joint review between the three agencies
1E	Segment 1	Obtain comments from DOGM, DWQ and DERR	4/22/2014	4/30/2014	Complete	Obtain comments from the agencies on Cleanup plan
1F	Segment 1	Revise work plan and address Agencies comments	4/22/2014	5/14/2014	Complete	Resubmittal for joint review between the three agencies
1G	Segment 1	Obtain Regulatory approval of Cleanup Plan - Segment 1	4/21/2014			Regulatory approval shall include action levels for arsenic, excavation and removal of material, transportation of material, final deposition of removed material, and restoration of the drainage.
2A	Segment 1	Increase desilting capacity at the Kennecott property line	6/23/2014	6/27/2014		Initial step is to prevent additional mine waste sediment from migrating off Rio Tinto property.
2B	Segment 1	Remove sediments from - Segment 1	6/23/2014	7/4/2014		The removal of mine waste sediment will commence just downstream of the desilting basins that are to be constructed. From this point the removal will continue downstream to the property line, thus preventing further migration of mine waste sediment off of Rio Tinto property.
1F	Segments 2-4	Submission of Cleanup plan for - Segments 2 - 4	7/7/2014	7/7/2014		Plan provided as dictated in the DOGM Division Directive.
2C	Segment 1	Reconstruct riprapped channel in - Segment 1	7/7/2014	7/18/2014		Replacement of Riprap material will be further protect the stream bottom from erosion and restore the site to its previous condition.
1G	Segments 2-4	Obtain Regulatory approval of work plan				Regulatory approval shall include action levels for arsenic, excavation and removal of material, transportation of material, final deposition of removed material, and restoration of the drainage.
2D	Segment 1	Reseed impacted areas in - Segment 1	7/7/2014	7/18/2014		Revegetating immediately downstream of the desilting basins will minimize offsite migration of fines during a storm event.
3A	Segments 2-4	Remove sediments from - Segments 2-4	7/7/2014	9/8/2014		Removal of sediments found upstream of the desilting basins will minimize the loading and the maintenance of the basins.
3B	Segments 2-4	Reconstruct drainage channel - Segments 2-4	7/7/2014	9/8/2014		Regrading of the disturbed area will allow for natural water flow and will be done concurrent with removal.
3C	Segments 2-4	Reseed impacted areas in - Segments 2-4	11/3/2014	11/26/2014		Revegetation of the drainage found upstream of the desilting basins will minimize the loading and the maintenance of the basins.

Projected dates

* Monthly project updates will be provided on the 15th of each month, until the cleanup is complete. If Barneys deviates from the attached schedule, Barneys and Agencies will discuss any needed action at the agencies request.